

**August 17, 2010**

*Loan Allows for Expansion and Creates Jobs, Ensures Village's Only Commerical Hotel Remains in Community*

**WASHINGTON, DC** - Today, U.S. Rep. Michael Arcuri (NY-24) announced that the Little Falls Motel Associates, Inc. in Herkimer County will receive a \$650,000 loan from the U.S. Department of Agriculture (USDA) Rural Development's Business and Industry Guaranteed Loan Program. These funds, made available through the American Recovery and Reinvestment Act (Recovery Bill), are part of an ongoing commitment to ensure that rural communities attract capital investments that lead to business development and job creation.

"In these tough economic times, many businesses are unable to access the financing they need for renovations or to simply keep their operations running because many banks are either unwilling or unable to lend," **Arcuri said**, "Loans like this help rural communities renovate facilities and embark on new expansions-helping grow the local business sector and creating jobs."

This \$650,000 USDA loan refinances the existing mortgage, providing for energy improvements and renovations while paying off a line of credit, which they have only been paying interest on, for an annual savings of approximately \$5,000. Additionally, the loan will create 3 and save 21.5 jobs paying average hourly wages of \$12.25/hour.

With the help of the loan, key renovations and improvements will be made, attracting more visitors, keeping the business open, and keeping 24.5 well-paying jobs in the area. As the only commercial hotel in Little Falls, its success and continued ability to offer visitors overnight accommodations within the village positively affects the community and local businesses.

USDA Rural Development's Business and Industry Guaranteed Loan Program received \$1.57 billion to help rural businesses stimulate their economies and support their communities. Eligible applicants include private businesses, cooperative organizations, corporations, partnerships, non-profit groups, Federally-recognized Indian tribes, public bodies and individuals. The funds

are targeted to create and retain quality jobs and serve difficult-to-reach populations and areas hardest hit by the current economic downturn.

###